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Message Text

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44
ACTION EB-06

INFO OCT-01 EUR-08 ISO-00 AID-05 CIAE-00 COME-00 FRB-01

INR-05 NSAE-00 RSC-01 XMB-02 OPIC-06 SP-02 CIEP-01

OMB-01 NSC-05 SS-15 STR-01 CEA-01 L-01 H-01 DRC-01

/064 W
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R 161215Z OCT 74
FM AMEMBASSY ROME
TO SECSTATE WASHDC 7477
TREASURY DEPT WASHDC

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E.O. 11652: N/A
TAGS: EFIN, IT
SUBJECT: EXCHANGE OF INFORMATION ON SINDONA AND BORDONI ROLES IN BANKING DIFFICULTIES

REF: (A) TREASURY 041629Z OCTOBER (NOTAL)
(B) ROME 13833

TREASURY: OASIA FOR WIDMAN; COMPTROLLER OF THE CURRENCY FOR MULLIN

1. SUMMARY. MONTERASTELLI OF BANK OF ITALY CONFIRMED TO TREASATT OCTOBER 16 WILLINGNESS OF BANK TO TRANSMIT REQUEST FROM COMPTROLLER OF CURRENCY TO LIQUIDATOR OF BANCA PRIVATA ITALIANA FOR EXCHANGE OF INFORMATION AND TO ENDORSE US REQUEST. END SUMMARY.

2. FOLLOWING IS DRAFT TEXT OF LETTER FROM MULLINS TO AMBROSOLI AND OF COVERING LETTER FROM TREASATT TO BOI GOVERNOR CARLI. BOTH HAVE BEEN INFORMALLY CLEARED WITH BANK OF ITALY AND INFORMATION COPIES WERE GIVEN TO
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TREASURY MINISTRY DIRECTOR GENERAL PALUMBO. MONTERASTELLI

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AGAIN STRESSED THAT AGREEMENT TO EXCHANGE INFORMATION ON
ITALIAN SIDE WAS NECESSARILY LIMITED BY ITALIAN LAWS
AND REGULATIONS. WE SUGGEST THAT IF DRAFTS
ARE ACCEPTABLE, FINAL VERSION OF LETTER TO AMBROSOLI
BE TRANSMITTED FROM
MULLIN TO TREASATT FOR DELIVER. IF THERE ARE ANY
SUBSTANTIAL PROBLEMS WITH TEXT ON US SIDE, REQUEST
THAT THESE BE CLEARED BY TELEPHONE WITH TRASATT
PRIOR TO TRANSMITTAL OF FINAL LETTER FROM MULLIN TO
AMBROSOLI.

3. DRAFT TEXT OF LETTER TO AVV. GIORGIO AMBROSOLI FROM MULLIN.
QUOTE: DEAR AVV. AMBROSOLI:
PARA 1: I HAVE ASKED GOVERNOR GUIDO CARLI OF THE BANK
OF ITALY FOR HIS ASSISTANCE IN TRANSMITTING TO YOU
THIS LETTER CONCERNING A PROPOSAL FOR COOPERATION
BETWEEN UNITED STATES AUTHORITIES AND ITALIAN AUTHORITIES
WITH REGARD TO AN EXCHANGE OF INFORMATION ON THE
RECENT FINANCIAL DIFFICULTIES OF THE FRANKLIN NATIONAL
BANK IN THE UNITED STATES AND THE BANCA PRIVATA
ITALIANA (BPI) IN ITALY. I UNDERSTAND THAT YOU HAVE
RECENTLY BEEN APPOINTED LIQUIDATOR OF THE BANCA
PRIVATA ITALIANA AND THAT YOU HAVE, THEREFORE, ASSUMED
PRIME RESPONSIBILITY FOR FINAL RESOLUTION OF THE AFFAIRS
OF THE BPI.
PARA 2: IT SEEMS TO ME THAT IT WOULD BE VERY USEFUL
FOR THE RESPONSIBLE AUTHORITIES OF OUR TWO COUNTRIES
TO COOPERATE IN DETERMINING THE NATURE OF THE
DEVELOPMENTS WHICH LET TO THE FINANCIAL PROBLEMS
EXPERIENCED BY THE TWO BANKS. IN THIS WAY WE MIGHT
BE BETTER ABLE BOTH TO PROTECT THE RIGHTS OF DEPOSITORS,
CREDITORS AND OTHER INTERESTED PARTIES AND TO AVOID
THE OCCURRENCE OF SUCH BANKING PROBLEMS IN THE FUTURE.
PARA: I RECOGNIZE THAT YOU, THE BANK OF ITALY AND
THE COMPTROLLER OF THE CURRENCY ARE BOUND BY OUR
RESPECTIVE NATIONAL LAWS AND REGULATIONS CONCERNING
THE CONFIDENTIALITY OF INFORMATION WHICH MAY BE
UNCOVERED THROUGH OUR INVESTIGATIONS. NEVERTHELESS,
I HOPE THAT IT WILL STILL BE POSSIBLE FOR US TO
ASSIST ONE ANOTHER IN DETERMINING THE FACTS OF THE CASES.
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I WOULD BE HAPPY, ON MY PART, TO EXCHANGE WITH YOU
INFORMATION UNCOVERED CONCERNING THE AFFAIRS OF THE
FRANKLIN NATIONAL BANK IN RETURN FOR INFORMATION WHICH
YOU AND THE BANK OF ITALY MAY HAVE DEVELOPED THROUGH
YOUR INVESTIGATIONS OF THE BPI. ASSUMING THAT YOU
AGREE ON THE DESIRABILITY OF AN EXCHANGE OF INFORMATION,
THE EXACT METHOD TO BE USED CAN BE DETERMINED AT A
LATER DATE.

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PARA 4: I WOULD WELCOME YOUR VIEWS ON MY PROPOSAL AS SOON AS POSSIBLE. YOU MAY TRANSMIT YOUR REPLY TO THE OFFICE OF THE TREASURY ATTACHE AT THE AMERICAN EMBASSY IN ROME EITHER DIRECTLY OR THROUGH THE BANK OF ITALY. SINCERELY YOURS, R.A. MULLIN, DEPUTY COMPTROLLER OF THE CURRENCY. UNQUOTE.

4. DRAFT TEXT OF LETTER TO GOVERNOR CARLI FROM TREAS ATT. QUOTE: DEAR GOVERNOR CARLI:
PARA 1: I AM ATTACHING A LETTER TO AVV. AMBROSOLI WHICH HAS BEEN SENT TO ME BY MR. R.A. MULLIN, DEPUTY COMPTROLLER OF THE CURRENCY FOR INTERNATIONAL BANKING AFFAIRS IN THE TREASURY DEPARTMENT. I UNDERSTAND THAT AVV. AMBROSOLI NOW HAS PRIMARY RESPONSIBILITY FOR RESOLVING THE AFFAIRS OF THE BANCA PRIVATA ITALIANA.
PARA 2: YOU WILL SEE IN THE ATTACHED LETTER THAT MR. MULLIN PROPOSED THAT THE RESPONSIBLE AUTHORITIES IN THE UNITED STATES AND IN ITALY COOPERATE IN AN EXCHANGE OF INFORMATION CONCERNING THE FINANCIAL DIFFICULTIES OF THE FRANKLIN NATIONAL BANK AND THE BANCA PRIVATA ITALIANA.
PARA 3: I WOULD GREATLY APPRECIATE YOUR TRANSMITTING THE ATTACHED LETTER TO AVV. AMBROSOLI. I ALSO HOPE THAT YOU CAN ENDORSE MR. MULLIN'S PROPOSAL ON BEHALF OF THE BANK OF ITALY. SINCERELY YOURS, DONALD C. TEMPLEMAN, TREASURY ATTACHE. ::: DOTT. SILVANO PALUMBO. MINISTRY OF TREASURY. UNQUOTE. VOLPE

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Message Attributes

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Concepts: DIPLOMATIC COMMUNICATIONS
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Draft Date: 16 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: elyme
Disposition Case Number: n/a
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Disposition Date: 28 MAY 2004
Disposition Event:
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Disposition Remarks:
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Legacy Key: link1974/newtext/t19741042/aaaabjsl.tel
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Original Handling Restrictions: n/a
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Review Event:
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TAGS: EFIN, IT, (MONTERASTELLI), (MULLINS), (AMBROSOLI)
To: STATE TRSY
Type: TE
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